and thus it is that money becomes the Measure of Value.

It is essential to the character of whatever is used as money that it be liable as little as possible to fluctuation in The reason is obvious. He who contracted quantity. debts when money bore one ratio to products would pay them when it bore another ratio; and hence, though he might pay the same nominal amount, yet he might pay twice as much in value as he had promised. So also, he who loaned money, while it bore one ratio, and received his payments while it was at another, though he might receive the same nominal amount, might not receive half the amount in value which he loaned. And hence all civilized nations have denied to governments for the purpose of making more money, the right of altering. or in any manner interfering with the right or purity of coin, for the reason that this causes a variation in the quantity of money, and thus interferes with private contracts.

Were tampering with the coin allowed, it is evident that credit must be at an end, because whatever a contract might mean to-day, no one could possibly predict what it would mean to-morrow. Hence, all fluctuation in the quantity of any substance, renders it by the amount of that fluctuation, unfit for the purposes of money.

Now these remarks apply to anything which may be used as money. They apply to silver and gold; if these substances were liable to great fluctuations in quantity we should be obliged to abandon them and find something better; and it is the same with paper, if it were used for money purposes; by as much as it is liable to sudden or to great fluctuations in quantity, by so much is it disserviceable for the purposes of money.

In order to accomplish a given number of exchanges in a community, a certain amount of money is necessary, and no more than this is necessary for this purpose. If to accomplish the exchanges of a community at a given time, one thousand ounces of silver are necessary, and twice the quantity be introduced, to accomplish the exchanges the value of the whole will remain the same, though the quantity varies, and

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